

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**HB 1145 – SB 1302**

March 9, 2011

**SUMMARY OF BILL:** Increases, from \$5,000 to \$6,000, the civil penalty for committing a fraudulent act or practice in connection with the offer, sale, or purchase of any security.

**ESTIMATED FISCAL IMPACT:**

**NOT SIGNIFICANT**

Assumptions:

- According to the Department of Commerce and Insurance, in 2010, the Department imposed two fines for fraudulent acts or practices, and neither reached the \$5,000 maximum. One was for \$3,889 and the other for \$3,915. Only one such fine was imposed during each of the previous years, and neither reached the \$5,000 maximum. Therefore, it is unlikely that an increased maximum fine will result in additional state revenue.
- According to the Department, this bill will not create new responsibilities, and the fiscal impact to state government is not significant.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink, reading "James W. White".

James W. White, Executive Director

/sbh